

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7292

BILL NUMBER: HB 1443

NOTE PREPARED: Jan 6, 2005

BILL AMENDED:

SUBJECT: Indicator of Probationary Driver on Motor Vehicle.

FIRST AUTHOR: Rep. Bischoff

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill provides that a probationary driver born after November 30, 1989, may operate a motor vehicle only when the vehicle bears a distinctive marking on its rear showing that the driver holds a probationary license. It provides for a fee of \$7 for the distinctive marking required to be placed on the rear of a vehicle when operated by a driver, and that the Bureau of Motor Vehicles (BMV) may provide by rule for an increase in fees for the distinctive marking, to be deposited in the Motor Vehicle Highway Account (MVHA).

Effective Date: July 1, 2005.

Explanation of State Expenditures: The potential expenditures involved with this proposal will depend upon which type of distinctive marking is selected. For example, PEN Products (Prison Enterprises Network), the manufacturing and sales arm of prison-made products, charges the Bureau of Motor Vehicles (BMV) and other groups petitioning for the creation of a new license plate(s). These charges consist of:

- (1) \$3.80 per plate (flat plate).
- (2) \$4.30 per multi-colored flat plate.
- (3) \$450 one-time set-up. This includes plate set-up by PEN graphic designer.
- (4) PEN Products can prepare, but it is not required, camera artwork for the newly created plate at an hourly rate of \$45.

Other distinctive markings that may be selected include the following:

(1) Temporary paper plate	6"x12"	\$0.47/plate
(2) Temporary paper plate	4"x7"	\$0.43/plate
(3) Standard Sticker		\$0.14/sticker
(4) Dealer Sticker		\$0.15/sticker

The funds affected are the PEN Products Revolving Fund and the Motor Vehicle Highway Account, which supports the BMV.

Explanation of State Revenues: Revenue will depend upon the number of probationary drivers who would be required to purchase the distinctive marking for their vehicle. The BMV will charge \$7 for the distinctive marking in whatever form is selected.

A driver's license is probationary until the driver becomes 18 years of age. The requirement to purchase the distinctive marking is imposed on individuals who become 16 years and 1 month of age on or after January 1, 2006. Based on the number of licenses the BMV issued to 16- and 17-year-old drivers over the last three years, and the date of birth after which this proposal applies, the estimated revenue from the sale of the \$7 markings appears in the table below.

	FY 2006	FY 2007	FY 2008
Approximate # of Drivers	19,000	49,000	60,000
Revenue @ \$7/marking	\$133,000	\$343,000	\$420,000

This revenue will be deposited into the Motor Vehicle Highway Account.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Bureau of Motor Vehicles; Bureau of Motor Vehicles Commission, which operates the approximately 170 license branches throughout the state.

Local Agencies Affected:

Information Sources: Jennifer Swenson, Sales Manager, PEN Products, 317-388-8580, ext. 273; BMV Driver License data for CY 2001, CY 2002, and CY 2003.

Fiscal Analyst: James Sperlik, 317-232-9866.